BILL HISTORY FOR ASSEMBLY BILL 614 (LRB -2690)

An Act to repeal 943.207 (3); to renumber and amend 943.207 (2); to amend 943.207 (title), 943.207 (1) and 973.075 (5) (intro.); and to create 943.206, 943.207 (1) (c), 943.207 (3m), 943.208, 943.209, 943.49, 973.075 (1) (e) and 973.075 (5m) of the statutes; relating to: unauthorized duplication of a recording, unauthorized recording of a performance, failure to disclose manufacturer of a recording, unauthorized use of a recording device in a movie theater and providing a penalty.

1999	
12-01. A.	Introduced by Representatives Pettis, Kestell, Jensen, Coggs, Underheim, Klusman, Sykora, Albers, Olsen, Nass, Ward, Handrick, Vrakas, Staskunas, Kreibich, Walker, Musser, Kaufert and Bock; cosponsored by Senators George, Rosenzweig, Panzer, Breske and Grobschmidt.
12-01. A.	Read first time and referred to committee on Judiciary and Personal Privacy 571
2000	
01–18. A.	Public hearing held.
02-02. A.	Executive action taken.
02-02. A.	Assembly amendment 1 offered by committee on Judiciary and Personal Privacy (LRB a1235)
02-02. A.	Assembly amendment 2 offered by committee on Judiciary and Personal Privacy (LRB a1257)
	Assembly amendment 3 offered by committee on Judiciary and Personal Privacy (LRB a1258) 633
	Report Assembly amendment 1 adoption recommended by committee on Judiciary and Personal Privacy, Ayes 5, Noes 4
	Report passage as amended recommended by committee on Judiciary and Personal Privacy, Ayes 8, Noes 1
02-03. A.	Referred to committee on Rules
02-03. A.	Placed on calendar 2-8-2000 by committee on Rules.
	Read a second time
	Assembly amendment 1 adopted
	Assembly amendment 4 offered by Representative Pettis (LRB a1304)
	Assembly amendment 4 adopted
	Ordered to a third reading
	Rules suspended
02–08. A.	Read a third time and passed 651
02–08. A.	·
02–10. S.	Received from Assembly
02-10. S.	Read first time and referred to committee on Judiciary and Consumer Affairs
02–22. S.	Public hearing held.
03–01. S.	Executive action taken.
03–03. S.	Report concurrence recommended by committee on Judiciary and Consumer Affairs, Ayes 5, Noes 0
03-03. S.	Available for scheduling.
03–14. S.	Read a second time
03–14. S.	Ordered to a third reading
03–14. S.	Rules suspended
03–14. S.	Read a third time and concurred in
03–14. S.	Ordered immediately messaged
02 15 A	Pagaived from Senate concurred in

1999 ENROLLED BILL

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•	Date	Enrollin	g Drafter

DISTRIBUTION:

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- 11 copies plus bill jacket
- Secretary of State's envelope containing 4 copies plus newspaper notice

REVISOR OF STATUTES:

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LRB:

Guide, Document Specific Procedures, Ch. 20, Engrossing and Enrolling

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December 1, 1999 – Introduced by Representatives Pettis, Kestell, Jensen, Coggs, Underheim, Klusman, Sykora, Albers, Olsen, Nass, Ward, Handrick, Vrakas, Staskunas, Kreibich, Walker, Musser, Kaufert and Bock, cosponsored by Senators George, Rosenzweig, Panzer, Breske and Grobschmidt. Referred to Committee on Judiciary and Personal Privacy.

AN ACT to repeal 943.207 (3); to renumber and amend 943.207 (2); to amend 943.207 (title), 943.207 (1) and 973.075 (5) (intro.); and to create 943.206, 943.207 (1) (c), 943.207 (3m), 943.208, 943.209, 943.49, 973.075 (1) (e) and 973.075 (5m) of the statutes; relating to: unauthorized duplication of a recording, unauthorized recording of a performance, failure to disclose manufacturer of a recording, unauthorized use of a recording device in a movie theater and providing a penalty.

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Analysis by the Legislative Reference Bureau

Under current law, a person may not knowingly and wilfully transfer recorded sounds without the consent of the owner with intent to sell the record, disc, wire, tape, film or other article onto which the sounds are transferred (an "unlawful transfer"). ("Owner" is defined under current law to mean the person who owns the sounds embodied in the original master recording from which the transferred sounds are directly or indirectly derived.) In addition, a person may not advertise, offer for sale or sell the article onto which such sounds have been transferred (a "pirated recording") with knowledge that the sounds were transferred onto the article without the consent of the owner. A first—time violator of the unlawful transfer prohibition may be fined not more than \$1,000 or imprisoned for not more than 90 days or both. For each subsequent unlawful transfer offense, the person may be fined not more

than \$10,000 or imprisoned for not more than nine months or both. A person who knowingly advertises, offers for sale or sells a pirated recording may be fined not more than \$1,000 or imprisoned for not more than 90 days or both for each unlawful advertisement, offer or sale.

This bill amends these provisions to prohibit a person from knowingly transporting, offering to rent, renting or possessing pirated recordings. It also limits the prohibitions on unlawful transfers and on transporting pirated recordings to cases in which the person transferred the sounds or transported the pirated recordings for commercial advantage or private financial gain. The penalties for violations are also revised. Under the bill, a violation is generally classified based on the number of recordings involved or, in the case of a pirated recording distributed on the Internet, the number of times the recording was replayed by another person during a 180-day period:

Number of recordings/replays involved during a 180-day period	Classification
Under 100	Class A misdemeanor
100–999	Class D felony
1000 or more	Class C felony

The bill also creates three new crimes. The first relates to "bootlegging". Under the bill, no person may record a performance without the performer's consent with intent to sell or rent the bootlegged recording. The bill also prohibits individuals who know that a recording has been bootlegged from advertising, offering to sell or rent, selling, renting or transporting the recording or from possessing it for one of those purposes. Violations are generally classified as follows:

Number of recordings involved during a 180-day period	Classification
Under 100 recordings embodying sound or	Class A misdemeanor
under 10 audiovisual recordings	
100–999 recordings embodying sound or	Class D felony
10-99 audiovisual recordings	
1000 or more recordings embodying sound or	Class C felony
100 or more audiovisual recordings	

The second new crime relates to counterfeit recordings. Under the bill, no person may knowingly advertise, offer for sale or rent, sell, rent or transport a recording or possess a recording for one of those purposes if the recording does not contain the name and address of the manufacturer of the recording in a prominent place on its cover, jacket or label. Violations are generally classified as follows:

Number of recordings involved during a 180-day period	Classification
Under 10	Class A misdemeanor

10–99	Class D felony
100 or more	Class C felony

The provisions regarding the third new crime prohibit a person from using any type of recording device in a movie theater without the written authorization of the theater owner or his or her agent. A person who violates this prohibition is generally guilty of a Class A misdemeanor. The bill also prohibits a person from knowingly advertising, offering for sale or rent, renting or transporting unlawfully recorded movies or possessing a recording for one of those purposes. Penalties are generally classified as follows:

Number of recordings/replays involved during a 180-day period	Classification
Under 100	Class A misdemeanor
100–999	Class D felony
1000 or more	Class C felony

The penalty provisions applicable to the three new crimes and to the unlawful transfer/pirated recording prohibitions treat repeat offenders separately. Under the bill, a person who commits one of these offenses — other than the unlawful recording of a movie — after having been previously convicted of the same offense is guilty of a Class C felony, regardless of the number of recordings or replays involved. A person who violates the provisions regarding unauthorized recording of a movie after having previously been convicted of that offense is guilty of a Class D felony.

The bill also subjects recordings and devices used for recording or for manufacturing, reproducing, packaging or assembling recordings involved in a violation of any of these provisions to forfeiture.

Penalties for violations are as follows:

Crime	Maximum fine	Maximum imprisonment (for offenses occurring before 12/31/99)	Maximum imprisonment (for offenses occurring on or after 12/31/99)
Class C felony	\$10,000	10 years	15 years
Class D felony	\$10,000	5 years	10 years
Class A misdemeanor	\$10,000	9 months	9 months

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1	943.206 Definitions. In this section and ss. 943.207 to 943.209:
2	(1) "Manufacturer" means a person who transfers sounds to a recording.
3	(3) "Performance" means a recital, rendering or playing of a series of words or
4	other sounds, either alone or in combination with images or physical activity.
5	(4) "Performance owner" means the performer or performers or the person to
6	whom the performer or performers have transferred, through a contract, the right
7	to sell recordings of a performance.
8	(5) "Recording" means a medium on or in which sounds or images or both are
9	stored.
10	SECTION 2. 943.207 (title) of the statutes is amended to read:
11	943.207 (title) Transfer of recorded sounds for unlawful use; sale.
12	SECTION 3. 943.207 (1) of the statutes is amended to read:
13	943.207 (1) Whoever does any of the following may be penalized as provided
14	in sub. (3) (3m):
, 15	(a) Knowingly and wilfully Intentionally transfers or causes to be transferred,
16	without the consent of the owner, any sounds recorded on a phonograph record, disc,
17	wire, tape, film or other article on which sounds are recorded first embodied in or on
18	a recording before February 15, 1972, with intent to sell or cause to be sold, the article
19	or rent the recording into or onto which such sounds are transferred for commercial
20	advantage or private financial gain.
21	(b) Advertises, offers for sale or rent, sells any article onto which, rents or
22	possesses a recording with knowledge that sounds have been transferred as
23	described in into or onto it in violation of par. (a), with the knowledge that the sounds
24	thereon have been so transferred without the consent of the owner.
25	SECTION 4. 943.207 (1) (c) of the statutes is created to read:

1	943.207 (1) (c) Transports a recording within this state for commercial
2	advantage or private financial gain with knowledge that sounds have been
3	transferred into or onto the recording in violation of par. (a).
4	SECTION 5. 943.207 (2) of the statutes is renumbered 943.206 (2) and amended
5	to read:
6	943.206 (2) In this section "owner" "Owner" means the person who owns the
7	original fixation of sounds embodied in the master phonograph record, master disc,
8	master tape, master film or other device used for reproducing recorded sounds on
9	phonograph records, discs, tapes, films or other articles on which sound is recorded,
10	and sounds in or on a recording from which the transferred sounds are directly or
11	indirectly derived.
12	SECTION 6. 943.207 (3) of the statutes is repealed.
13	SECTION 7. 943.207 (3m) of the statutes is created to read:
14	943.207 (3m) (a) Whoever violates this section is guilty of a Class A
15	misdemeanor under any of the following circumstances:
16	1. If the person transfers sounds into or onto 100 or fewer recordings or
17	advertises, offers for sale or rent, sells, rents, possesses or transports 100 or fewer
18	recordings in violation of sub. (1) during a 180-day period. 5-18(AA)
19	2. If the person transfers sounds on or to the Internet in violation of sub. (1) and Affiliate Affiliation of sub. (1)
20	the transferred sounds are never replayed or are replayed by others from the
20	Internet 100 or fewer times during a 180-day period:
_ \	
21	Internet 100 or fewer times during a 180 day period:
21	Internet 100 or fewer times during a 180-day period: (b) Whoever violates this section is guilty of a Class D felony under any of the

LRB-2690/1 MGD:wlj:kjf **SECTION 7**

more than 100 but less than 1,000 recordings in violation of sub. (1) during a 180-day

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2. If the person transfers sounds on or to the Internet in violation of sub. (1) and the transferred sounds are replayed by others from the Internet more than 100 but less than 1,000 times during a 180 day period.

- (c) Whoever violates this section is guilty of a Class C felony under any of the following circumstances:
- 1. If the person transfers sounds into or onto at least 1,000 recordings or advertises, offers for sale or rent, sells, rents, possesses or transports at least 1,000 recordings in violation of sub. (1) during a 180-day period.
- 2. If the person transfers sounds on or to the Internet in violation of sub. (1) and the transferred sounds are replayed by others from the Internet at least 1,000 times during a 180-day period.
 - 3. If the violation occurs after the person has been convicted under this section.

 Section 8. 943.208 of the statutes is created to read:
- 943.208 Recording performance without consent of performance owner. (1) Whoever does any of the following for commercial advantage or private financial gain may be penalized as provided in sub. (2):
- (a) Creates a recording of a performance without consent of the performance owner and with intent to sell or rent the recording.
- (b) Advertises, offers for sale or rent, sells, rents or transports a recording of a performance with knowledge that the sounds, images or both from the performance embodied in the recording were recorded without the consent of the performance owner.

1999 – 2000 Legislature

ASSEMBLY BILL 614

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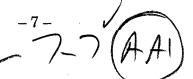
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LRB-2690/1 MGD:wlj:kjf SECTION 8

(c) Possesses with intent to advertise, offer for sale or rent, sell, rent or transport a recording of a performance with knowledge that the sounds, images or both from the performance embodied in the recording were recorded without the consent of the performance owner.

(2) (a) Whoever violates sub. (1) is guilty of a Class A misdemeanor if the person creates, advertises, offers for sale or rent, sells, rents, transports or possesses 100 or

fewer recordings embodying sound or 10 or fewer audiovisual recordings in violation

of sub. (1) during a 180-day period.

(b) Whoever violates sub. (1) is guilty of a Class D felony if the person creates, advertises, offers for sale or rent, sells, rents, transports or possesses more man 100 but less than 1,000 recordings embodying sound or more than 10 but less than 100 audiovisual recordings in violation of sub. (1) during a 180-day period.

- (c) Whoever violates sub. (1) is guilty of a Class C felony if the person creates, advertises, offers for sale or rent, sells, rents, transports or possesses at least 1,000 recordings embodying sound or at least 100 audiovisual recordings in violation of sub. (1) during a 180–day period or if the violation occurs after the person has been convicted under this section.
- (3) Under this section, the number of recordings that a person rents shall be the sum of the number of times in which each individual recording is rented.

SECTION 9. 943.209 of the statutes is created to read:

943.209 Failure to disclose manufacturer of recording. (1) Whoever does any of the following for commercial advantage or private financial gain may be penalized as provided in sub. (2):

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1	(a) Knowingly advertises, offers for sale or rent, sells, rents or transports a
2	recording that does not contain the name and address of the manufacturer in a
3	prominent place on the cover, jacket or label of the recording.
4	(b) Possesses with intent to advertise, offer for sale or rent, sell, rent or
5	transport a recording that does not contain the name and address of the
6	manufacturer in a prominent place on the cover, jacket or label of the recording.
7	(2) (a) Whoever violates sub. (1) is guilty of a Class A misdemeanor if the person
8	advertises, offers for sale or rent, sells, rents, transports or possesses
A S	recordings in violation of sub. (1) during a 180 day period 8-9 AA
10	(b) Whoever violates sub. (1) is guilty of a Class D felony if the person
11	advertises, offers for sale or rent, sells, rents, transports or possesses profethan 10
12	but less than 100 recordings in violation of sub. (1) during a 130 day period
13	(c) Whoever violates sub. (1) is guilty of a Class C felony if the person advertises,
14	offers for sale or rent, sells, rents, transports or possesses at least 100 recordings in
15	violation of sub. (1) during a 180-day period or if the violation occurs after the person
16	has been convicted under this section.
17	(3) Under this section, the number of recordings that a person rents shall be
78	the sum of the number of times in the each individual recording is rented.
19	SECTION 10. 943.49 of the statutes is created to read:
20	943.49 Unlawful use of recording device in motion picture theater. (1)
21	DEFINITIONS. In this section:
22	(a) "Motion picture theater" means a site used for the exhibition of a motion
23	picture to the public.

(b) "Recording" has the meaning given in s. 943.206 (5).

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- (c) "Recording device" means a camera, an audio or video recorder or any other device that may be used to record or transfer sounds or images.
 - (d) "Theater owner" means an owner or operator of a motion picture theater.
- (2) Use of recording device in Movie theater. (a) No person may operate a recording device in a motion picture theater without written authorization from the
 - theater owner or the theater owner's agent.
 - (b) 1. Except as provided in subd. 2., a person who violates par. (a) is guilty of a Class A misdemeanor.
 - 2. A person who violates par. (a) is guilty of a Class D felony if the violation occurs after the person has been convicted under this subsection.
 - (3) DISTRIBUTING COPIES OF UNLAWFULLY RERECORDED MOVIES. (a) Whoever does any of the following for commercial advantage or private financial gain may be penalized as provided in par. (b):
 - 1. Advertises, offers for sale or rent, sells, rents or transports a recording of a movie with knowledge that the sounds or images or both on the recording were transferred from a recording made in violation of sub. (2).
 - 2. Possesses with intent to advertise, offer for sale or rent, sell, rent or transport a recording of a movie with knowledge that the sounds or images or both on the recording were transferred from a recording made in violation of sub. (2).
 - (b) 1. Whoever violates par. (a) is guilty of a Class A misdemeanor under any of the following circumstances:
 - a. If the person creates, advertises, offers for sale or rent, sells, rents, transports or possesses 10 or fewer recordings in violation of par. (a) during a

24 180 day period.

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to believe that a person has violated this section in his or her presence may detain the person in a reasonable manner for a reasonable length of time to deliver the person to a peace officer or to his or her parent or guardian in the case of a minor. The detained person must be promptly informed of the purpose for the detention and be permitted to make phone calls, but he or she shall not be interrogated or searched against his or her will before the arrival of a peace officer who may conduct a lawful interrogation of the accused person. The theater owner, the theater owner's adult employe or the theater owner's security agent may release the detained person before the arrival of a peace officer or parent or guardian. Any theater owner, theater owner's adult employe or theater owner's security agent who acts in good faith in any act authorized under this section is immune from civil or criminal liability for those acts.

SECTION 11. 973.075 (1) (e) of the statutes is created to read:

973.075 (1) (e) Any recording, as defined in s. 943.206 (5), created, advertised, offered for sale or rent, sold, rented, transported or possessed in violation of ss. 943.207 to 943.209 or s. 943.49 and any electronic, mechanical or other device for making a recording or for manufacturing, reproducing, packaging or assembling a recording that was used to facilitate a violation of ss. 943.207 to 943.209 or s. 943.49, regardless of the knowledge or intent of the person from whom the recording or device is seized. If a device subject to forfeiture under this paragraph is encumbered by a bona fide perfected security interest that was perfected before the date of the commission of the current violation and the holder of the security interest neither had knowledge of nor consented to the commission of that violation, the holder of the security interest shall be paid from the proceeds of the forfeiture.

SECTION 12. 973.075 (5) (intro.) of the statutes is amended to read:

973.075 (5) (intro.) All forfeitures under ss. 973.075 to 973.077 shall be made with due provision for the rights of innocent persons under sub. (1) (b) 2m. and (d) and (e). Any Except as provided in sub. (5m), any property seized but not forfeited shall be returned to its rightful owner. Any person claiming the right to possession of property seized may apply for its return to the circuit court for the county in which the property was seized. The court shall order such notice as it deems adequate to be given the district attorney and all persons who have or may have an interest in the property and shall hold a hearing to hear all claims to its true ownership. If the right to possession is proved to the court's satisfaction, it shall order the property returned if:

SECTION 13. 973.075 (5m) of the statutes is created to read:

973.075 (5m) (a) In this subsection:

- 1. "Forfeiture action deadline" means the 30th day after the seizure of the property or, if the property was seized as a result of a criminal conviction, the 30th day after the date of the conviction.
- 2. "Prosecutor" means the district attorney or, in counties having a population of 500,000 or more, the district attorney or the corporation counsel.
- 3. "Victim" means the owner, as defined in s. 943.206 (2), of the sounds in a recording described in sub. (1) (e) or, if the recording is seized in connection with an investigation or prosecution of a violation of s. 943.208, the performance owner.
- (b) If a recording involved in a violation of ss. 943.207 to 943.209 is forfeited, the sheriff of the county in which the recording was seized shall destroy it after the completion of all proceedings in which the recording might be required as evidence.
- (c) If, by the forfeiture action deadline, a summons, complaint and affidavit have not been filed under s. 973.076 (2) (a) with respect to property seized under sub.

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(1) (e), the prosecutor shall notify the victim, if known, by certified mail no later than		
7 days after the forfeiture action deadline. The prosecutor shall then return the		
property to the person from whom it was seized no earlier than 60 days and no later		
than 90 days after the forfeiture action deadline unless one of the following applies:		
1. A court has entered an order prohibiting the return of the property or		
requiring it to be conveyed to another person.		

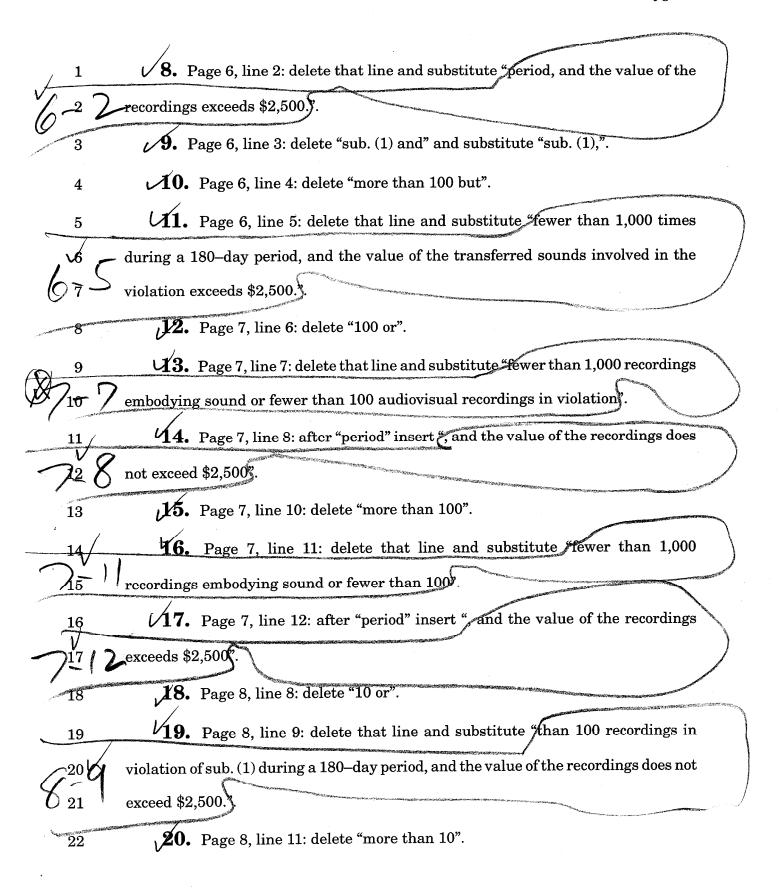
2. The property is needed as evidence in a criminal proceeding and is likely to be unavailable for use as evidence if returned to the person from whom it was seized.

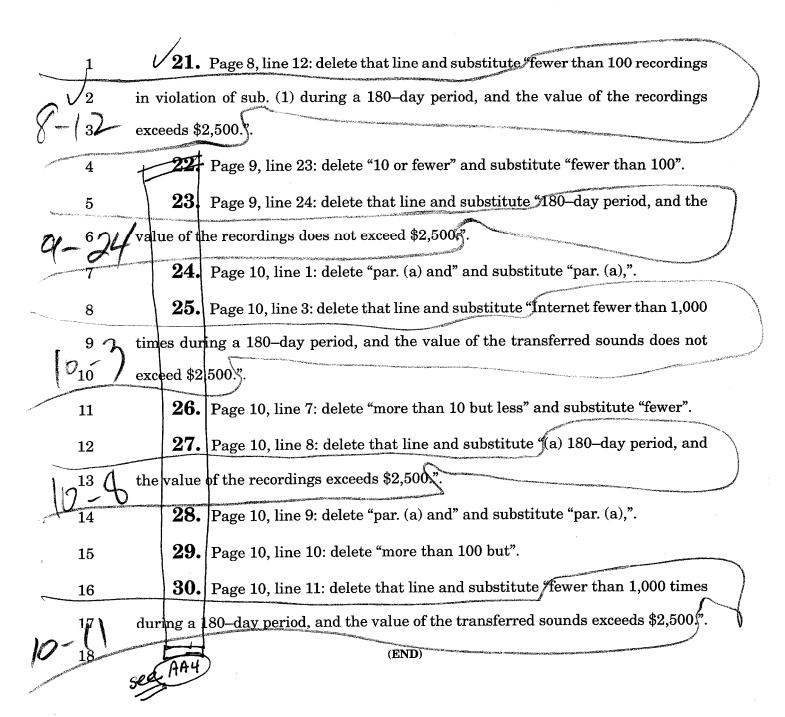
9 (END)

ASSEMBLY AMENDMENT 1, TO 1999 ASSEMBLY BILL 614

February 2, 2000 - Offered by Committee on Judiciary and Personal Privacy.

		5-16
	1	At the locations indicated, amend the bill as follows:
ı	2	Page 5, line 16: delete "100 or fewer" and substitute "fewer than 1,000".
•	3	2. Page 5, line 17: delete "100 or fewer" and substitute "fewer than 1,000".
,	4	3. Page 5, line 18: after "period" insert ", and the value of the recordings does
V	10	not exceed \$2,500°.
5	6	Page 5, line 19: delete "sub. (1) and" and substitute "sub. (1),".
an i sain	7	5. Page 5, line 21: delete that line and substitute Internet fewer than 1,000
	1 P	times during a 180-day period, and the value of the transferred sounds does not
5	-901	exceed \$2,500.}.
	10	Page 5, line 24: delete "more than 100 but less" and substitute "fewer".
,35°	11	$\sqrt{7}$. Page 6, line 1: delete "more than 100 but less" and substitute "fewer".





ASSEMBLY AMENDMENT 4, TO 1999 ASSEMBLY BILL 614

February 8, 2000 – Offered by Representative Pettis.

1	At the locations indicated, amend the bill as follows:
2	1. Page 5, line 16: delete "creates,".
3	2. Page 8, line 18: delete "in which" and substitute "that".
4	3. Page 9, line 5: delete "authorization" and substitute "consent".
5	A. Page 9, line 6: delete that line and substitute "theater owner or a person
66	authorized by the theater owner to provide written consent.".
The state of the s	Page 9, line 11. delete the material beginning with that line and ending with
8	page 10, line 23, as affected by assembly amendment 1.
9	(END)
	1 2 3 4 5 6 6 8 9